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cial cases referred to are *Washburn v. National Wall Paper Co.*, *supra*; *Donald v. Smelting Co.*, 62 N. J. Eq. 729, 48 Atl. Rep. 771; *Woodbury Heights Land Co. v. Londenslager*, 55 N. J. Eq. 78, 91, 35 Atl. Rep. 436, 56 N. J. Eq. 411, 41 Atl. Rep. 1115, 58 N. J. Eq. 556, 43 Atl. Rep. 671; *Plaquemines Tropical Fruit Co. v. Buck*, 52 N. J. Eq. 219, 27 Atl. Rep. 1094; *Weatherbee v. Baker*, 35 N. J. Eq. 501; *Handley v. Stutz*, 139 U. S. 417, 11 Sup. Ct. R. 530, WILGUS' CORP. CAS. 1923; *Clark v. Bever*, 139 U. S. 96, 11 Sup. Ct. R. 468; *Richardson v. Green*, 133 U. S. 30, 10 Sup. Ct. R. 280.

Much litigation between other parties in relation to this company has already occurred. See *Northern Trust Co. v. Columbia Straw Paper Co.*, 75 Fed. Rep. 936; *Dickerman v. Northern Trust Co.*, 80 Fed. Rep. 450, 176 U. S. 181, 20 Sup. Ct. R. 311.

Ever since the decisions in *Van Cott v. Van Brunt*, 82 N. Y. 535, WILGUS' CORP. CAS. 1919 (1880), and *Handley v. Stutz* (1891) *supra*, were rendered it has been considered lawful to issue stock at an overvaluation even as against subsequent creditors to pay for construction that cannot otherwise be paid for, or to save a 'going concern' that cannot otherwise be rehabilitated. So, too, recently, profits, present and prospective, have been recognized as important elements in the valuation of property for the purpose of taxation. *Adams Express Co. v. Ohio*, 165 U. S. 194, 166 U. S. 185, WILGUS' CORP. CAS. 1381 (1897). In the development of patents, copyrights, and mining properties, speculative profits have been recognized as a proper basis of valuation of property for which stock is issued, even as against subsequent creditors. *In re South Mountain Consolidated Mining Co.*, 7 Saw. 30, 8 Saw. 366 (1881-2); *American Tube and Iron Co. v. Hays*, 165 Pa. St. 489, 30 Atl. Rep. 936 (1895); *Graves v. Brooks*, 117 Mich. 424, WILGUS' CORP. CAS. 1950 (1898). This practice is vigorously defended by a recent work by T. G. Frost, A TREATISE ON THE INCORPORATION AND ORGANIZATION OF CORPORATIONS, pp. 125-136. Such doctrine is, however, criticised by Judge Thompson in 2 CORPORATIONS §§ 1665-76. The 'true value' and 'good faith' rules are clearly noted, with the cases collected and classified in *State Trust Co. v. Turner*, 111 Ia. 664, 53 L. R. A. 136, 82 N. W. Rep. 1029, WILGUS' CORP. CAS. 1943 (1900).

We believe the true rule on matters of this kind, should be that stated by CHIEF JUSTICE FULLER in his dissenting opinion in *Handley v. Stutz*, *supra*,—no "arrangement to relieve those who would reap the benefit derived from the possession of the stock, in the event of the success, from liability for the consequences, in the event of the failure of the enterprise," should be sanctioned by the courts.

H. L. W.

HEIRS AS GRANTEEES WITH MIXED ESTATES OF ENTIRETY TO PARENTS.—Several recent decisions emphasize in a peculiar way the wisdom of Lord Coke's advice to avoid studiously any departure from the accustomed forms of expression in all deeds of conveyance. Perhaps these remarks are out of place in a lawyer's magazine, as most lawyers are sufficiently careful in that matter at all times. Perhaps they might better be addressed to the layman and the justice of the peace, with the addition that it is cheaper to pay a few shillings more and have a lawyer draw the deed than to pay many dollars later in

lawyer's fees and court costs, to find out what the deed can possibly mean, as the layman has drawn it. Very likely the cases we are about to mention are cases in which the deeds were drawn by laymen or justices of the peace, or the like; for in most cases they might seem very clear to such persons, while to the lawyer they are inexplicable. The lawyer need not mourn over loss of such business, for it comes to him later with ten-fold increase. But woe to the lawyer who draws such a deed.

Three recent cases will serve as illustration of the matter we are speaking of. Lands were granted "unto Berrick Norman, to him and his heirs and assigns forever, \* \* \* to have and to hold the above described lands to him and his heirs and assigns \* \* \* and after the death of Berrick Norman and Moseller Norman, his wife, the lands and premises to descend to their heirs, Lad Wilkins, Ellick Wilkins, and Susan Norman, and to be equally divided between the three." It was held that the grant to Berrick Norman was in fee absolute, and that the added provision was repugnant and void. *Wilkins v. Norman* (1905), — N. C. —, 51 S. E. Rep. 797.

John Pierce and Olive Pierce, of the first part, conveyed to William Gibbs, Harriet Gibbs, and the heirs of said Harriet Gibbs, of the second part. Harriet was the wife of William, had two children by a former husband, and the grantors were her parents. It was held that William and Harriet took one-third as tenants by entireties with right of survivorship; and that the children of Harriet by the former marriage took one-third each, as tenants in common. *Fullager v. Stockdale* (1904), — Mich. —, 101 N. W. Rep. 576.

A deed was made by "R. J. Taylor and wife, of the first part, and Saml. Williams and wife Annie and their heirs, including the former children of the said Annie by another husband, of the second part." Annie died, then Saml. died, and now his heirs claim he took all by survivorship, and they inherited from him. Defendants claim as children of Annie and grantees under the deed. *Held* that Saml. and Annie took one fourth as tenants by entirety, and each of Annie's children living when the deed was executed (there being three of them) took one fourth, as tenants in common with the husband and wife, not by way of remainder. *Darden v. Timberlake* (1905), — N. C. —, 51 S. E. Rep. 895.

Let us hope that no lawyer drew any of these deeds.

J. R. R.